

The Honorable Ricardo S. Martinez

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

WASHINGTON FEDERAL, a federally chartered savings association.

**Plaintiff,**

VS.

COUNTRYWIDE HOME LOANS, INC.;  
BANK OF AMERICA, N.A.,

## Defendants

Case No. 2:12-cv-01820-RSM

DEFENDANTS COUNTRYWIDE HOME LOANS, INC. AND BANK OF AMERICA, N.A. AND PLAINTIFF WASHINGTON FEDERAL'S JOINT STIPULATED MOTION TO STAY PROCEEDINGS OR IN THE ALTERNATIVE EXTENSION OF TIME TO ANSWER OR OTHERWISE RESPOND TO THE AMENDED COMPLAINT

**NOTE ON MOTION CALENDAR:**  
July 12, 2012 (per LCR 7(d)(1))

Pursuant to LCR 10(g), Defendants Countrywide Home Loans, Inc. (“Countrywide”) and

19 Bank of America, N.A. ("BANA") (collectively, "Defendants") and Plaintiff Washington

20 | Federal (“Plaintiff”) jointly move this Court to stay these proceedings indefinitely subject to

21 | periodic reporting to the court, or in the alternative extend the time to answer or otherwise

22 respond to Plaintiff's Amended Complaint up to and including September 30, 2013. The pu

23 of this request is to facilitate the parties' ongoing settlement discussions and to preserve this

24 Court's resources, and in support thereof the parties state as follows:

25       1. Plaintiff filed its Complaint on October 16, 2012. Before serv  
26 on Defendants, Plaintiff filed its Amended Complaint on November 30, 2012.

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26 on Defendants, Plaintiff filed its Amended Complaint on November 30, 2012.

JOINT MOTION TO STAY PROCEEDINGS  
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1       2. In its Amended Complaint, Washington Federal alleges Defendants breached  
2 more than 600 representations and warranties for 98 subject loans.

3       3. On March 13-14, 2013, the parties convened a two-day face-to-face settlement  
4 conference in Seattle, Washington to discuss Plaintiff's claims and attempt to resolve this matter.  
5 The settlement conference was attended by four of Defendants' line of business employees and  
6 four of Plaintiff's line of business employees, including subject matter experts in the field of  
7 mortgage underwriting and origination and management with authority to resolve the case, as  
8 well as outside counsel. At the settlement conference, the parties discussed a previously-  
9 identified population of the loans at issue and the merits of Plaintiff's claims as to these loans.

10      4. Ultimately, the parties did not reach a resolution at the settlement conference.  
11 However, the parties have continued to work together in a good faith effort to resolve this matter  
12 without this Court's intervention in an effort to efficiently resolve the dispute and conserve the  
13 Court's resources and parties' resources.

14      5. To facilitate this effort, Defendants have engaged in information exchange since  
15 the March meeting to provide to Plaintiff the materials it has requested as it continues to analyze  
16 the loans at issue. For instance, Plaintiff requested, and Defendants provided, the underwriting  
17 guidelines applicable to each of the loans at issue. Defendants also provided Plaintiff with a  
18 spreadsheet identifying the applicable underwriting guidelines for each loan.

19      6. As noted above, Plaintiff is currently in the process of investigating and  
20 evaluating its claims. Once Plaintiff has completed this investigation and provided Defendants  
21 with the updated claims, the parties anticipate meeting again to discuss the claims and attempt to  
22 resolve this matter. This second settlement conference is scheduled for mid-August. The parties  
23 are in agreement that this will help facilitate an early resolution of this matter and that staying  
24 these proceedings will help achieve that goal.

25      7. Accordingly, Defendants and Plaintiff respectfully request that this Court grant a  
26 motion to stay these proceedings, including all court deadlines, until further order by this Court.

27      8. The parties submit that good cause exists to grant this Motion for several reasons.

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9. As noted above and in support of this motion, the parties have made good faith efforts to cooperate and resolve this matter without the Court's intervention. Such good faith efforts are evidenced by the two-day settlement conference in March attended by the parties' decision makers, Defendants providing Plaintiff with requested underwriting guidelines, and the scheduling of a second settlement conference.

10. Second, granting the requested stay will preserve this Court's resources. The parties submit that the required loan-by-loan analysis, specifically the investigation of over 600 alleged breaches of representations and warranties as to almost 100 loans set forth in the Amended Complaint and additional identified loans, is particularly arduous. Granting the requested relief will allow the parties' business representatives to work together to resolve this matter without burdening this Court.

11. Third, if these proceedings are stayed, the parties will be able to dedicate their full resources to resolving this matter and avoid unnecessary legal expenses such as answering the Amended Complaint while consensual claims resolution efforts continue.

12. Finally, no prejudice will result to either party by granting the requested relief. Accordingly, the parties respectfully request that this Court grant the Joint Stipulated Motion to Stay Proceedings indefinitely, with the requirement that the parties update this Court regarding the status of settlement discussions on or before September 2, 2013.

In the alternative, the parties request that the Court extend the time within which Defendants are required to answer or otherwise respond to the Amended Complaint up to and including September 30, 2013.

1           This 12th day of July, 2013.

2        McGUIREWOODS LLP

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1                   **CERTIFICATE OF SERVICE**

2                   I hereby certify that on July 12, 2013, I electronically filed the foregoing Defendants  
3 Countrywide Home Loans, Inc. and Bank of America, N.A.'s Stipulated Motion for Extension to  
4 Answer or Otherwise Respond to the Complaint with the Clerk of the Court using the CM/ECF  
5 system, which will send notice to the following counsel of record:

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